



**RBA: AHFC Purchasing Policy
CITY OF AUSTIN
RECOMMENDATION FOR BOARD ACTION**

**AGENDA ITEM NO: 4
AGENDA DATE: 10/15/2009
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SUBJECT: Approve a resolution adopting revised purchasing policies for the Austin Housing Finance Corporation.

AMOUNT & SOURCE OF FUNDING:

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING DEPARTMENT: Austin Housing Finance Corporation

FOR MORE INFORMATION CONTACT: Margaret R. Shaw, Treasurer, Austin Housing Finance Corporation, 974-3184.

PRIOR COUNCIL ACTION:

PRIOR BOARD ACTION: The Austin Housing Finance Corporation Board of Directors approved a resolution on June 25, 1998 to adopt a Purchasing Policy for the Corporation.

The Austin Housing Finance Corporation (AHFC) was created as a public non-profit corporation and instrumentality of the City of Austin to carry out the purposes of Chapter 394 of the Local Government Code, cited as the Texas Housing Finance Corporation Act. Chapter 394 provides an exemption from procurement requirements and restrictions applying to public property.

The revised purchasing policy adopted by this Resolution will allow AHFC to update the Corporation's Purchasing Policy adopted by the Board on June 25, 1998. The general policy requires that all purchases by the Corporation shall be made in a manner that: (1) is beneficial and cost-effective for its customers; and (2) is fair and equitable to suppliers, contractors and service providers. The policy also describes the delegation of authority, unauthorized purchases, the Code of Ethics and Conflict of Interest, solicitation types, contract limits, signature authority and solicitation requirements. The current purchasing policy is more than ten years old so it is prudent and fiscally responsible to update the policy. The policy will be effective upon adoption and will be revised, as needed, on an annual basis. The proposed policy has been reviewed and approved by the City of Austin Purchasing Office, the Small Minority Business Resource Office and the Contract and Land Management Department.

Exhibit A

AUSTIN HOUSING FINANCE CORPORATION PURCHASING POLICY

Approved by: Board of Directors

Approved on: October 15, 2009

Effective Date: October 16, 2009

The Austin Housing Finance Corporation (Corporation), created in 1979 as a public non-profit corporation and an instrumentality of the City of Austin, is governed by the Texas Housing Finance Corporation Act (Chapter 394 of the Texas Local Government Code).

General Policy

All purchases by the Corporation shall be made in a manner that: (1) is beneficial and cost-effective for its customers; and (2) is fair and equitable to suppliers, contractors and service providers.

Code of Ethics and Conflict of Interest

The Corporation will follow the City of Austin's Code of Ethics and Conflict of Interest Policy.

Delegation of Authority

Purchasing authority is delegated from the Board of Directors to the Corporation's Treasurer. The Corporation's Treasurer may delegate his/her authority to assigned Corporation or City of Austin staff depending on Solicitation Type. Every assigned staff involved in procuring for the Corporation will maintain full and open competition between suppliers, vendors and contractors in accordance with this Policy.

Unauthorized Purchases

Any employee who commits the Corporation to a purchase, real estate transaction or other arrangement without proper authorization may be cause for disciplinary action and/or restriction of purchasing authority.

Solicitation Types

Following the Corporation's General Policy, the Corporation's Treasurer, or his/her designee, will determine the type of solicitation to be used with every procurement.

- Invitation for Bids (IFB) and Invitation for Bids-Best Value (IFB-BV) is a request, verbal or written, which is made to prospective bidders requesting the submission of a bid on specifically described commodities or services.
- Request for Proposals (RFP) is an invitation for suppliers to submit a proposal on a specific commodity or service.
- Requests for Qualifications (RFQ) is an invitation to procure professional services, including but not limited to architects, engineers, surveyors and real estate appraisers.
- Notice of Funding Availability (NOFA) is an invitation to obtain proposals from non-profits, for-profits or other interested parties.
- Inter-agency Memorandums of Understanding (MOU) may be used when the Corporation seeks the professional services of a City of Austin Department or other legally recognized organization.
- Other Solicitation Types will be used when available and are beneficial, in the best interest of the Corporation and comply with the Corporation's General Policy.

Contract Limits and Signature Authority

The Board of Directors sets the contract limits in the annual adoption of the Corporation's annual budget.

Solicitation Requirements

The Corporation will detail all solicitation requirements, including utilization of applicable City ordinances, such as the Minority-Owned and Women-Owned Business Enterprise Procurement Program, in an administrative procedures document. The Solicitation Requirements document will be approved by the Corporation's Treasurer and included as an attachment to the executed annual service agreement between the City of Austin and the Corporation.

Policy and Solicitation Requirements Revisions

The Corporation's Treasurer will review this Policy and the Solicitation Requirements document, at least once each year, and will recommend to the Board of Directors revisions to the Policy, if necessary. Revisions to the Solicitation Requirements document will be amended by the Corporation's Treasurer as needed.

RESOLUTION NO. _____

WHEREAS, the City of Austin, Texas a home-rule municipal corporation in the state of Texas, created the Austin Housing Finance Corporation (AHFC) in 1979; and

WHEREAS, the Board of Directors, adopted a resolution establishing purchasing policies for AHFC on June 25, 1998; and

WHEREAS, the Board of Directors desires to modify the purchasing policies for AHFC; and

WHEREAS, the proposed revised purchasing policies will benefit the public purpose and the citizens of Austin by providing a more efficient means for AHFC to transact business while assuring that procurements are both beneficial and cost-effective for the Corporation and its customers and fair and equitable to suppliers; **NOW, THEREFORE,**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE AUSTIN HOUSING FINANCE CORPORATION:

The revised purchasing policies of the Austin Housing Finance Corporation attached as Exhibit A are adopted.

ADOPTED: _____, 2009 **ATTESTED:** _____

Shirley A. Gentry
Secretary